

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1210-03  
Bill No.: HCS for HB 484  
Subject: Disabilities  
Type: Original  
Date: April 10, 2013

---

Bill Summary: This proposal establishes the Missourians with Disabilities Jobs Act of 2013.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	(Unknown)	(Unknown greater than \$164,398)	(Unknown greater than \$161,165)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown)</b>	<b>(Unknown greater than \$164,398)</b>	<b>(Unknown greater than \$161,165)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	0 FTE	2 FTE	2 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>0 FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of Administration - Division of Purchasing and Materials Management (DPMM)** assume that a minimum of three Buyer IV positions are needed to oversee the fulfillment of the tasks stated in this proposal. The Buyer IV positions (\$52,176) will be responsible for:

Review proposals submitted by qualifying vendors and award/renew contracts for the purchase of goods, services, and supplies.

Review fair market price for the same goods, services, and supplies submitted by qualifying vendors.

Ensure the contractor is paying their employees at least minimum wage for direct labor hours performed in fulfillment of the contract.

Monitor the amount of goods, services, and supplies that are purchased to make sure the amount does not exceed twenty-five million dollars.

To assist with the promulgation of rules and regulations necessary to carry out the purposes of this proposal.

To research before awarding contracts to a qualifying vendor instead of the current contracting business if a severe adverse impact on such business could take place. This will include reviewing financial and employment information and contractor performance reports.

In response to a similar proposal from 2012 (HB 1902), DPMM assumed the need for one additional FTE. This proposal appears to be more involved than HB 1902, therefore, **Oversight** will assume DPMM will not require 3 additional FTE, but rather will assume they could accomplish the additional duties set forth with 2 additional FTE. Should the amount of work justify another FTE, the FTE could be sought through the appropriation process.

Officials at the **Office of Administration - Office of Equal Opportunity** assume that they may be required to monitor and report on the progress of these contractual payments to the qualifying small businesses in accordance with the tracking process outlined. If they have to monitor it will require the need for one Management Analyst II (\$40,260) position to ensure the fulfillment of the tasks.

**Oversight** assumes this proposal does not state that monitoring of this program is to occur. Therefore, Oversight assumes the Office of Equal Opportunity would not need additional resources due to this proposal.

ASSUMPTION (continued)

Officials at the **Department of Labor and Industrial Relations (DOL)** assume this proposal requires suspected violations of the eligibility of a qualifying vendor to be investigated by DOL. The Department is unable to determine how many suspected violations it may receive and need to investigate. The Department estimates the need for one to two investigator positions to investigate any suspected violations of the eligibility criteria for qualifying vendors.

Since there is no basis, yet, for estimating the number of suspected violations, **Oversight** assumes DOL will request investigators as needed through the appropriations process, and has reflected an 'unknown' cost to DOL.

Officials at the **Department of Mental Health** and the **Department of Social Services** each assume there is no fiscal impact to their organization from this proposal.

Officials at the **Department of Elementary and Secondary Education** assume depending on how the Office of Administration sets up the statewide vendor, the Department could pay more or less for services. The impact cannot be determined at this time.

Officials at the **Department of Conservation** assume an unknown negative impact likely greater than \$100,000 depending on the number of items required to be purchased without the advantage of competitive bidding.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
<b>GENERAL REVENUE</b>			
<u>Cost - Office of Administration</u>			
Personnel Service	\$0	(\$105,396)	(\$106,449)
Fringe Benefits	\$0	(\$53,483)	(\$54,018)
Equipment and Expenses	<u>\$0</u>	<u>(\$5,519)</u>	<u>(\$698)</u>
<u>Total Cost - OA</u>	\$0	(\$164,398)	(\$161,165)
FTE Change - OA	0 FTE	2 FTE	2 FTE
 <u>Cost - Department of Labor - cost of doing the investigations</u>	 (Unknown)	 (Unknown)	 (Unknown)
 <b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	 (Unknown)	 (Unknown greater than <u>\$164,398</u> )	 (Unknown greater than <u>\$161,165</u> )
 Estimated Net FTE Change on General Revenue	 0 FTE	 2 FTE	 2 FTE
 <u>FISCAL IMPACT - Local Government</u>	 FY 2014 (10 Mo.)	 FY 2015	 FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses that employs persons with qualifying disabilities could be positively impacted by this proposal. Small businesses that make products that will no longer be competitively bid could be negatively impacted.

FISCAL DESCRIPTION


This proposal creates the Missourians with Disabilities Jobs Act of 2013.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

JH:LR:OD

SOURCES OF INFORMATION

Department of Conservation  
Department of Elementary and Secondary Education  
Department of Labor and Industrial Relations  
Department of Mental Health  
Department of Social Services  
Office of Administration  
Division of Purchasing & Materials Management  
Office of Equal Opportunity



Ross Strobe  
Acting Director  
April 10, 2013